

PENSION AT YORK



November 2011

QUARTERLY UPDATE

Information about the York University Pension Plan

Fund Review – Quarter Ending September 30, 2011

Against the backdrop of debt crisis in Europe and U.S., and without any long term solutions in sight, the credit rating agencies downgraded banks and countries on both sides of the Atlantic in the third quarter. The financial markets were hit by fear and the lack of clear signals of economic recovery, causing the Canadian and foreign equity markets to slide in the third quarter.

The bright spot was in Canadian bonds which performed relatively well. During the third quarter, the Canadian dollar depreciated 7.4% against the US dollar and appreciated 0.1% against the Euro. The currency hedging program of the Fund partially dampened the currency volatility.

Overall, the York University Pension Fund had a negative quarter, returning -6.5% (-6.6% net) for the quarter, and -3.9% (-4.3% net) YTD.

The Fund has a well-diversified investment policy with targeted allocation of 30% Canadian bonds, 15% Canadian equity, 15% U.S. equity, 15% International equity, 15% Global equity, and 10% Infrastructure.

The Fund, benchmark, and various capital market returns for the period ending September 30, 2011 are summarized in the table below.

	Quarter	Year-to-Date
Canadian Equity (S&P/TSX)	-12.0%	-11.9%
US Equity (Wilshire 5000 - custom)	-11.0%	-7.3%
International Equity (MSCI EAFE)	-12.5%	-10.8%
Global Equity (MSCI World)	-9.9%	-7.6%
Canadian Bonds (DEX Universe & LT Gov. Bond)	6.9%	9.3%
York Pension Fund Benchmark*	-5.4%	-3.3%
York Pension Fund	-6.5%	-3.9%

*The Fund benchmark is a composite of the market indices calculated using the same proportions as the investment policy. Return and index information provided by Towers Watson. Returns are before expenses.

Pension Benefits News

The Pension & Benefits office is excited about changes we are making to improve the level and consistency of service we provide to the community. We are in the process of implementing a central repository for all enquiries. Instead of having a Pension & Benefits Counsellor assigned to specific letters of the alphabet the Counsellors will be working on a rotation basis handling all functions of the Pension & Benefits office. This will improve accessibility as well as smooth out spikes in volumes and consistency of service while managing the office's vacation schedules.

You will begin to see e-mails from us as a response to any phone call or e-mail transaction. The subject line will indicate "Incident INCXXXXXXXXXX". Please make sure this incident number appears in all subsequent correspondence to our office so any additional information or questions can be linked back to the original request.

Effective November 21, 2011 please email askpb@yorku.ca your questions. At a later date we will be implementing a new extension number for all calls. In the interim please continue to call the extension you have used in the past.

Moving to a central repository will be more efficient in the long term. In the short term there may be some delays in our responses and we appreciate your patience as we work through the changes. **For more efficient service please have your nine digit employee number available when you contact us.**

For more information on Pension Plan benefits, contact Terisa Ducharme, Associate Director, Pension & Benefits at ext. 77564, or at duchart@yorku.ca

For more information on Pension Fund investments, contact Leona Fields, Manager Pension Fund at ext. 55122, or at fieldsl@yorku.ca

Websites: <http://www.yorku.ca/hr/units/cpb/pensionbenefits.html>
<http://www.yorku.ca/finance/divisions/pensioninvestments.htm>